GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:971
ANSWERED ON:29.07.2005
CREDIT TO FARM SECTOR BY NABARD
Singh Shri Dushyant

Will the Minister of FINANCE be pleased to state:

(a) whether National Bank for Agriculture and Rural Development has increased the credit to farm sector in various States;

(b) if so, the amount of agricultural credit disbursed by NABARD to different States during the last three years, State-wise; and

(c) the percentage of increase made and target set for current financial year, State-wise?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI S.S.PALANIMANICKAM)

(a) and (b) : National Bank for Agriculture and Rural Development (NABARD) does not disburse agriculture credit directly, it only refinances credit disbursed by banks. The details of refinance disbursed by NABARD under investment credit during the last three years are given at Annex. NABARD also sanctioned total ST(SAO) credit limits aggregating Rs.10218.97 crore to State Cooperative Banks (SCBs) and Regional Rural Banks (RRBs) during the year 2004-05 as against Rs,8688.32 crore during 2003-04, registering a growth of 18%.

(c): No target is fixed for investment credit. Only a State-wise tentative allocation is made which is flexible and can be enhanced. The allocation for 2005-06 is fixed at Rs.8925 core. No target has also been fixed with regard to short term credit limits, which are dependent on the credit limit sought by SCBs and the funds available with NABARD.